Before the Federal Communications Commission Washington, D.C. 20554

In the Matter of)
Great Plains Cable Television, Inc.) File No. EB-02-TS-209
Operator of Cable Systems in:)
Arnold, Nebraska)
Bancroft, Nebraska)
Chapman, Nebraska)
Elgin, Nebraska)
Grant, Nebraska)
Hay Springs, Nebraska)
North Bend, Nebraska)
Ponca, Nebraska)
Sutherland, Nebraska)
Wolbach, Nebraska)
,)
Request for Waiver of Section 11.11(a) of the)
Commission's Rules	,)

ORDER

Adopted: September 27, 2002 Released: October 4, 2002

By the Chief, Technical and Public Safety Division, Enforcement Bureau:

- 1. In this *Order*, we grant Great Plains Cable Television, Inc. ("Great Plains") temporary waivers of Section 11.11(a) of the Commission's Rules ("Rules") for the 10 above-captioned cable television systems. Specifically, we deny the request for temporary, 24-month waivers of Section 11.11(a) for the Elgin and Grant, Nebraska systems, and alternatively grant temporary, 12-month waivers of Section 11.11(a) for the two systems. We also grant temporary, 36-month waivers of Section 11.11(a) for the Arnold, Bancroft, Chapman, Hay Springs, North Bend, Ponca, Sutherland, and Wolbach, Nebraska systems. Section 11.11(a) requires cable systems serving fewer than 5,000 subscribers from a headend to either provide national level Emergency Alert System ("EAS") messages on all programmed channels or install EAS equipment and provide a video interrupt and audio alert on all programmed channels and EAS audio and video messages on at least one programmed channel by October 1, 2002.
- 2. The Cable Act of 1992 added new Section 624(g) to the Communications Act of 1934 ("Act"), which requires that cable systems be capable of providing EAS alerts to their subscribers.² In

¹ 47 C.F.R. § 11.11(a).

² Cable Television Consumer Protection and Competition Act of 1992, Pub. L. No. 102-385, § 16(b), 106 Stat. 1460, 1490 (1992). Section 624(g) provides that "each cable operator shall comply with such standards as the Commission shall prescribe to ensure that viewers of video programming on cable systems are afforded the same

1994, the Commission adopted rules requiring cable systems to participate in EAS.³ In 1997, the Commission amended the EAS rules to provide financial relief for small cable systems.⁴ The Commission declined to exempt small cable systems from the EAS requirements, concluding that such an exemption would be inconsistent with the statutory mandate of Section 624(g).⁵ However, the Commission extended the deadline for cable systems serving fewer than 10,000 subscribers to begin complying with the EAS rules to October 1, 2002, and provided cable systems serving fewer than 5,000 subscribers the option of either providing national level EAS messages on all programmed channels or installing EAS equipment and providing a video interrupt and audio alert on all programmed channels and EAS audio and video messages on at least one programmed channel.⁶ In addition, the Commission stated that it would grant waivers of the EAS rules to small cable systems on a case-by-case basis upon a showing of financial hardship.⁷ The Commission indicated that waiver requests must contain at least the following information: (1) justification for the waiver, with reference to the particular rule sections for which a waiver is sought; (2) information about the financial status of the requesting entity, such as a balance sheet and income statement for the two previous years (audited, if possible); (3) the number of other entities that serve the requesting entity's coverage area and that have or are expected to install EAS equipment; and (4) the likelihood (such as proximity or frequency) of hazardous risks to the requesting entity's audience.8

3. Great Plains filed a request for temporary waivers of Section 11.11(a) for the 10 captioned small, rural cable systems on May 23, 2002. In support of its waiver request, Great Plains states that it has 11 small cable systems and will bring its Bloomfield, Nebraska system into compliance by October 2002. Great Plains requests a 24-month waiver for the Elgin and Grant, Nebraska systems which serve 1,093 subscribers and 1,546 subscribers, respectively, and a 36-month waiver for the Arnold, Bancroft, Chapman, Hay Springs, North Bend, Ponca, Sutherland, and Wolbach, Nebraska systems each of which serve between 73 and 633 subscribers. Based on price quotes provided by EAS equipment manufacturers, Great Plains estimates that it would cost approximately \$10,000 to install EAS equipment at the 11 cable systems for total cost of \$110,000. Great Plains asserts that this will impose a substantial financial hardship on it and provides its financial statement for 2000 and 2001 in support of this assertion. In addition, Great Plains submits that its subscribers will continue to have ready access to national EAS information from other sources, including its cable systems. In this regard, Great Plains notes that its

emergency information as is afforded by the emergency broadcasting system pursuant to Commission regulations" 47 U.S.C. § 544(g).

³ Amendment of Part 73, Subpart G, of the Commission's Rules Regarding the Emergency Broadcast System, Report and Order and Further Notice of Proposed Rule Making, FO Docket Nos. 91-171/91-301, 10 FCC Rcd 1786 (1994) ("First Report and Order"), reconsideration granted in part, denied in part, 10 FCC Rcd 11494 (1995).

⁴ Amendment of Part 73, Subpart G, of the Commission's Rules Regarding the Emergency Broadcast System, Second Report and Order, FO Docket Nos. 91-171/91-301, 12 FCC Rcd 15503 (1997) ("Second Report and Order").

⁵ *Id.* at 15512-13.

⁶ *Id.* at 15516-15518.

⁷ *Id.* at 15513.

⁸ *Id.* at 15513, n. 59.

subscribers currently have access to national EAS messages on at least 33 percent of all programmed channels. Great Plains also asserts that its subscribers will have access to EAS information through overthe-air reception of broadcast television and radio stations.

- 4. Based upon our review of the financial data and other information submitted by Great Plains, we decline to grant a temporary, 24-month waiver of Section 11.11(a) for the Elgin and Grant, Nebraska cable systems. We conclude that a temporary, 12-month waiver of Section 11.11(a) for the Elgin and Grant, Nebraska systems is warranted. Also, we conclude that a temporary, 36-month waiver of Section 11.11(a) for the Arnold, Bancroft, Chapman, Hay Springs, North Bend, Ponca, Sutherland, and Wolbach, Nebraska systems is warranted. In particular, we find that the estimated \$110,000 total cost of EAS equipment for these small cable systems could impose a financial hardship on Great Plains.
- 5. We note that the Commission recently amended the EAS rules to permit cable systems serving fewer than 5,000 subscribers to install FCC-certified decoder-only units, rather than both encoders and decoders, if such a device becomes available. Based on comments from equipment manufacturers, we anticipate that such a decoder-only system could result in significant cost savings to small cable systems. Contact that such a decoder-only system could result in significant cost savings to small cable systems.
- 6. Accordingly, **IT IS ORDERED** that, pursuant to Sections 0.111, 0.204(b) and 0.311 of the Rules, ¹² Great Plains Cable Television, Inc. **IS GRANTED** a waiver of Section 11.11(a) of the Rules until October 1, 2003 for its Elgin and Grant, Nebraska cable systems and **IS GRANTED** a waiver of Section 11.11(a) of the Rules until October 1, 2005 for its Arnold, Bancroft, Chapman, Hay Springs, North Bend, Ponca, Sutherland, and Wolbach, Nebraska cable systems.
- 7. **IT IS FURTHER ORDERED** that Great Plains Cable Television, Inc. place a copy of this waiver in its system files.
- 8. **IT IS FURTHER ORDERED** that a copy of this *Order* shall be sent by Certified Mail Return Receipt Requested to counsel for Great Plains Cable Television, Inc., Christopher C. Cinnamon, Esq., Cinnamon Mueller, 307 North Michigan Avenue, Suite 1020, Chicago, Illinois 60601.

FEDERAL COMMUNICATIONS COMMISSION

Joseph P. Casey Chief, Technical and Public Safety Division

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⁹ The 12-month waivers will extend from October 1, 2002, until October 1, 2003 and the 36-month waivers will extend from October 1, 2002, until October 1, 2005. Great Plains Cable also specifically requested waiver of the testing and monitoring requirements of the EAS rules for these systems. We clarify that the waivers we are granting also encompass the EAS testing and monitoring requirements.

¹⁰ Amendment of Part 11 of the Commission's Rules Regarding the Emergency Alert System, EB Docket 01-66, FCC 02-64 at ¶ 71 (released February 26, 2002).

¹¹ One manufacturer estimated that an EAS decoder-only system can reduce the cost by 64% over what a cable operator would spend for an encoder/decoder unit. *Id.* at \P 70.

¹² 47 C.F.R. §§ 0.111, 0.204(b) and 0.311.

Enforcement Bureau